State of the City Address Mayor Lily Mei City of Fremont June 23, 2022

Good morning, Fremont!

It is wonderful to see you all in person as we gather once again for the State of the City.

While many things have changed over the past two and a half years, our need for connection and community has not wavered.

In fact, connection with others is exactly how we've weathered the many storms that have come as a result of the COVID-19 pandemic, from economic challenges to supply chain issues.

The City of Fremont believes that one of our most important jobs as a local government is to foster a sense of connection that makes us all more resilient, collaborative, and happier.

We do this in many ways:

Through physical infrastructure such as the Warm Springs South Fremont BART station you see on the screen.

As well as innovative programs that promote a sense of well-being and celebrate diversity.

And through policies that protect and provide support for the most vulnerable in our communities.

We also do this through the creation of community centers, like this beautiful new Downtown Event Center and Plaza that we opened last fall.

I'm excited to share more with you about how the City of Fremont has acted as a bridge, anchor, and support over the last year as well as where we are heading next.

But first, I'd like to welcome and recognize my colleagues on the Fremont City Council:

Vice Mayor Raj Salwan
Councilmembers Teresa Keng
Rick Jones
Jenny Kassan
Yang Shao and
Teresa Cox

Also in attendance today are the City's Leadership Team, including City Manager Karena Shackelford, as well as our gracious host, the Fremont Chamber.

It's with the support of these wonderful people, including our hard-working City staff, that Fremont is seen as a leader both in the Bay Area and nationwide.

Our leadership branches into multiple areas, including our forward-looking policies, fiscal stability, sustainability efforts, and economic growth despite the pandemic. Fremont continues to be an outstanding place to live, work, and play, not to mention America's Happiest City.

In January, the Council met to reaffirm our top three Council priorities to focus our collective City efforts:

continuing to innovate and find solutions to address homelessness, increasing the vitality of commercial business districts, and enhancing public safety.

Additionally, Council also introduced a foundational principle to ensure the financial health and sustainability of the City of Fremont.

You'll hear about the progress we've made on these three pillars throughout this presentation.

In addition to these priorities, we're also welcoming new faces to our City Leadership Team.

In February, City Attorney Rafael E. Alvarado, Jr. joined our team, bringing his vast experience to Fremont.

Turning now to the City Budget, the COVID pandemic and related public health restrictions substantially reduced City revenues in 2020 and the first part of 2021.

But increased economic activity over the past year has led to a significant improvement, particularly for sales tax and property tax.

In addition, Fremont received \$44.2 million from the federal American Recovery Plan Act that has provided the City with the opportunity to restore and maintain services that would have otherwise been impacted due to pandemic-related revenue losses.

The fiscal year 2022/23 adopted balanced budget, effective July 1,

includes funding for additional new positions and resources that will help us be even more responsive to the community's needs without requiring us dip into our reserves.

For the 25th consecutive year, the City of Fremont was awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association. I'm proud of the staff throughout the City that have consistently made this possible, and the work they put in to make sure our Budget serves as a policy document, a financial roadmap, an operations guide, and a public communications tool.

During this past year, our City reviewed our Redistricting maps, including community feedback and compliance with the US Census.

The Census results reaffirmed Fremont as one of the most diverse cities in the nation. Our population increased by nearly 8% from 2010 to 2020, and 62% of Fremont's population speaks a language other than English at home.

We redrew new district lines to reflect local population changes.

Our new Council District Map is similar to our previous map,
with Districts 1 and 5 boundaries remaining unchanged and minor changes made to
Districts 2, 3, and 4.

I'd like to address COVID-19 and the progress we have made in recovery efforts. Since our last State of the City update in October, Fremont is beginning to return to pre-COVID life,

with businesses reopening and community events planned throughout the summer like our Summer Concert Series, Fremont Festival of the Arts, and more.

All while being mindful of keeping safe.

According to Fremont's 2022 Point in Time Count, Fremont has experienced a 68% increase in homelessness.

This reflects the county-wide increase of chronic homelessness, likely due to several factors including the widespread impact of the pandemic, lack of shelter beds,

and rising housing costs.

While affordable housing assists many in our community, there are still ways we can ramp up these efforts and do more.

As pandemic restrictions ease and public spaces are reactivating, our staff is working diligently to execute on strategies that appropriately invest in solutions to help resolve homelessness.

One shining example of this is the Housing Navigation Center, which celebrated its first full year of operation in Fall 2021. While despite the fewer numbers the HNC could house due to COVID, its success rate was still very high.

Through our Keep Fremont Housed initiative, we have assisted, twelve hundred families and their respective landlords. And thanks to our city's advocacy and population now over 200K, for the first time Fremont was awarded more than \$14.4 million in a direct funding allocation, thanks to the U.S. Department of Treasury, in back rental and utility assistance funds dedicated to low-income households impacted by COVID.

To better facilitate and provide safe, convenient access, our city pivoted to offer hybrid online and enhanced in-person permitting and inspection services.

Through these steps construction activity continued to move forward, including affordable and market rate housing developments that are sorely needed.

Earlier this year, Fremont celebrated the opening of City Center Apartments, a supportive housing development that transformed a once used-car lot into 60 units of modern affordable housing.

Three-quarters of the units are designated for people experiencing homelessness,

including 29 units for veterans.

In addition to this, we are excited to share that new affordable housing is coming to Irvington this year. Doug Ford Senior Apartments will offer 90 brand new units available for low-income individuals and families who are 55 years or older. Continuing these efforts, the Affordable Housing Ordinance underwent a comprehensive update.

A second crisis intervention specialist and part-time clerical supervisor were hired to expand the operating hours of the Mobile Evaluation Team, and to provide outreach and mental health support through our Homeless Care and Response division.

The Team was honored by the Fremont School District's PTA earlier this year.

Looking forward, we submitted a grant application to request State funding to convert the Motel 6 in South Fremont to 156 permanent affordable rental housing units through Project Home Key. The City is excited about this potential opportunity to provide more affordable housing.

We also looked for new ways to assist our unhoused community.

Through our Point in Time Survey, we learned that 66% of Fremont's unhoused community members are living out of their vehicles.

To address this, we launched Safe Parking in January, by providing resources, hygiene services, and helping with housing navigation.

Many participating churches who host this program gave participants much more. They offered a welcomed opportunity to relax and talk among volunteers and new friends. Additionally, a recent \$25,000 donation from Sister's of the Holy Family will include assistance with licensing, smog check and insurance fees, as well as car repairs.

While we are grateful that overall small business revenues in Fremont have surpassed their pre-pandemic levels, we know that recovery has not been evenly shared.

Small businesses are also contending with new challenges, including a worker shortage and rising costs of goods and services. Let's continue to support our local businesses that help make Fremont a great city.

Fremont is known for our city's strong tech roots and advanced manufacturing/logistics ecosystem.

But did you know it's also home to over 3,600 small businesses that proudly serve Fremont locals and those who work in our community?

This number includes 300 restaurants as well as non-retail businesses like manufacturing, auto shops, consultants, and more.

Recognizing their unique needs for support, I am proud to introduce our new Small Business Ally to formalize the City's work to support small businesses and serve as a dedicated economic development resource partner.

In another testament to our public-private partnerships, five local restaurants impacted by the pandemic partnered with our Human Services and Economic Development departments to provide meals to support our Winter Relief Shelter.

Through a corporate grant from Cargill,

the restaurants received payment for these meals.

In May, we relaunched the Gift Fremont program.

This program allows residents to purchase digital gift cards that can be used at any number of local businesses.

Thanks to the support of corporate donations from Seagate and Meta, we have waived all fees for businesses and are offering a free bonus match to customers for any cards purchased over \$20.

For businesses that have been catastrophically impacted by the pandemic, the Commercial Eviction Moratorium is also still in place.

Additionally, our business assistance hotline is readily available for any specific business inquiries.

Fremont is proud to be members of the California and National Main Street associations, which promote commercial district vitality by sharing best practices, national trends, and development strategies.

Downtown Fremont's momentum, which last year received over \$150 million in public and private investment, has also been featured by the national Main Street Association.

In response to the growing popularity of outdoor dining,

we updated the City's Outdoor Dining Ordinance last month to make the program permanent.

Incorporating input from small business owners, this allows continuation of outdoor commercial spaces with a streamlined, low-cost permitting process.

Businesses need only apply one time and there is no annual renewal process or fee.

And one of my favorite collaborative efforts was our Earn and Learn Fremont pilot program launched in March 2021 that provided hands-on experience at Evolve Manufacturing and Lam Research and concluded with all 17 participants receiving full-time employment offers.

Building on the program's remarkable success, our City has once again joined Ohlone College for a revamped Smart Manufacturing Technology Back to Work program, partnering with Tesla and local Fremont companies to provide paid on the job training and career pathways.

While the name is different, the mission is the same.

Participants of the new Back to Work program are gaining valuable work experience at the Fremont Tesla factory, which Bloomberg has dubbed the most productive auto factory in America.

With achievements like these, we continue our legacy as the Advanced Manufacturing Capital of the USA.

As a local government, our city's expertise is understanding the manufacturing industry and supporting investments like this one,

which create opportunities for desperately needed middle-income jobs which are increasingly difficult to find in many parts of our region.

Thanks to keeping people employed and bringing them back to work, we're strengthening our local tax base,

building more substantial and equitable main streets.

We're maintaining communications on our business website,

better known as,

Think Silicon Valley dot com,

where we recently launched a new dedicated resource hub for small businesses.

Developing new infrastructure remains a key priority.

In May, the City celebrated the completion of the West Access Bridge and Warm Springs Plaza.

It opened back in February, and it's anticipated to connect over 4,000 recently completed new housing units,

including thousands of pedestrians and bicyclists from their homes to their jobs. The bridge allows a seamless connection to transit, housing, and workplaces, and demonstrated our continued partnerships with BART and Alameda County

Transportation Commission.

Downtown Fremont is making great strides and new leasing activity is ongoing, with 7 new businesses confirmed and more expected to be announced soon.

This week we celebrated the opening of Banter Bookstore, a new, locally-owned independent bookstore to serve the community.

Anchoring Fremont Boulevard with Downtown Fremont's "retail spine" along Capitol Avenue,

construction continues on the new Fremont Bank headquarters.

And next door, a new mixed-use project is under construction that will provide 11,000 square feet of new ground floor retail and amenity space.

Also around the corner, Fore Development has begun pre-leasing a 275-unit mixed use project across from Walnut Plaza.

All told, these projects will provide substantial new commercial space along with new residents and employees to support the growing list of new businesses converging on Downtown.

Increasing access to healthcare services for Fremont residents, Washington Hospital Healthcare System is planning for our future.

For more than two decades they have been preparing to become a trauma center and were just approved by Alameda County Emergency Medical Services Agency to be designated as the County's next level II adult trauma center within five years.

Turning now to major City improvements and project highlights, the Fremont Boulevard Traffic Signal Modernization Project is moving forward to improve travel efficiency by deploying advanced traffic signal technologies and strategies.

In the Niles District, safety projects were completed, including a new traffic signal on Niles Boulevard and Rock Avenue, along with railroad crossing improvements at Nursery Avenue to enable the elimination of horn blasts from crossing trains.

In this past year, we worked with the community to approve a plan to expand Fremont's network of outdoor trails from 60 to 140 miles.

I'm especially excited about Centerville's new,

4-acre Dusterberry Neighborhood Park, which is currently under construction and will feature play areas, a basketball court, a plaza space, and much more.

It's located across the street from the DMV.

The momentum doesn't stop there.

In fact, our Council adopted the Parks and Recreation Master Plan in March, which includes the City and community's vision for the future of our parks.

To provide framework for the future treatment of our trees, we are developing our Urban Forest Management Plan.

It's no surprise that Fremont received a Tree City USA recognition for the 25th year in a row.

Our City's remarkable efforts were also recognized by the Institute for Local Government for leading climate action efforts and creating a more sustainable community

with a 2021 Beacon Vanguard Platinum Award.

To continue our green efforts, Fremont piloted the use of large-scale compost in two parks to improve water retention and carbon emissions as part of our local response to SB 1383.

We're partnering with East Bay Community Energy to install "solar plus battery" microgrids at critical City facilities –

making Fremont more energy resilient in the event of an emergency.

Also our Fremont Police Department, added to our fleet of over 40 hybrid and electric vehicles by purchasing two electric motorcycles, utilizing grant funding totaling about \$40K.

Fremont partnered with Verizon to accelerate our City's Small Cells Project. These transformational infrastructure investments will continue to strengthen our community for years to come.

We've made it easier for homeowners to add Accessory Dwelling Units, commonly known as ADUs.

And last month we collaborated with our Alameda County neighboring cities for infosharing about developing ADUs.

Seeking an opportunity to enhance business activity to a long-vacant site, our staff worked with the property owner to transition 22.4 acres of vacant land at the

former Globe site into a new state-of-the-art advanced manufacturing and industrial project.

Fremont has further cemented its lead as the State's advanced manufacturing capitol, with strong gains in the City's three growth sectors: cleantech, life sciences, and electronics.

We're now home to more cleantech jobs than anywhere in the USA.

Last September, Enovix announced the first batteries off its production lines at its Fab 1 headquarters.

And with assistance from the City and Governor's Office, EnerVenue is building a new battery "mini-gigafactory" in the Bayside area.

Furthermore, Bloom Energy announced major manufacturing and R&D operations in Fremont, adding hundreds of quality manufacturing and skilled engineering jobs.

Life sciences has also continued its strong growth in Fremont, with companies like Alexza Pharmaceuticals and Personalis announcing new headquarters and manufacturing facilities in Ardenwood.

Fremont now has over 150 life science companies, more than any other industry sector.

Semi-Conductor companies are also continuing to cluster in Fremont... Like Applied Materials,

who is currently designing a next generation advanced wafer processing lab that will propel national policy ambitions for critical supply chains and serve as one the company's largest investments in its history.

These essential industries are attracted to Fremont due to the City's expertise in supporting their highly complex operations and workforce needs.

When Washington policymakers discuss the importance of boosting these industries in the US and onshoring critical supply chains,

Fremont serves as a national leader in how to champion their success.

On the topic of financial support, I'd now like to touch on some key funding wins stemming from our legislative advocacy:

Fremont's Housing Navigation Center,

The Emergency Dispatch System,

and the Interstate 680 Interchange Modernization Project together received close to \$8 million in State and Federal funding.

And to better inform the community about our key initiatives and accomplishments, last month we unveiled our new City website, Fremont.gov.

The new website offers a user-friendly and mobile-ready experience combined with a modernized design, data-driven navigation, and increased transparency.

This will better serve the needs of City website users.

Building on transparency and community-driven action, we'll be rolling out a new digital community engagement tool later this year to receive resident input to drive informed decisions and help identify and address key areas of concern within the community.

To make our communications more accessible, we added a new website translation feature called Bablic, and launched a new Language Access Pilot Program to translate more written materials into multiple languages spoken by Fremont residents.

Our new Open Data Hub serves as a one-stop-shop for an abundance of useful information and GIS data for community members and businesses.

Building on the theme of inclusion, I am incredibly proud of how our City has continued to foster diversity, equity, and inclusion by creating programming and initiatives that embrace the many cultures, backgrounds, and beliefs in Fremont.

This month alone we're flying the rainbow flag at City Hall in recognition of Pride Month, and commemorating Juneteenth, all while Council passed a resolution recognizing Harvey Milk Day.

The wellness of our residents of all ages and backgrounds is another focus of our diversity and inclusion efforts.

Our Youth and Family Services Division hosted the third annual Youth Wellness Ambassadors 'Community Service Project earlier this year,

where high school students studied the role technology such as mobile apps plays in relation to mental health and wellness.

In partnership with NLC and Washington Hospital, our Human Services Department and the Mobile Evaluation Team will focus on ways to communicate, coordinate, and streamline our collective efforts to assist older adults and the unhoused population to better improve equitable health access.

Since launching in August 2021, our Afghan Refugee Help Fund has raised over \$468K from 1,202 donors in 40 states as well as many in-kind donations to assist Afghan refugees to settle in Fremont, And nearby cities.

Thanks to all the volunteers who have been vital to VITA, which our Volunteer Income Tax Assistance Program celebrated 20 years of success at the Fremont Family Resource Center.

This reflects the cumulative impacts in the economic success of local families and individuals.

I admire how our Fremont community looks out for one another, which is why our Fremont Police Department has increased its transparency and underwent an extensive transformation to become RIPA compliant, otherwise known as the Racial and Identity Profiling Act.

Our newly appointed Police Chief Sean Washington shared his Police Chief Transition Plan in October, outlining the key initiatives and goals for his first 180 days in office. Earlier this month, Chief Washington released a progress report and status update for the Transition Plan detailing the department's progress towards his six objectives. In demonstration of this, he's already signed the 30 x 30 Initiative, which aims to increase the representation of women in our recruitment classes to 30% by 2030.

The Department also began developing a Chief's Youth Advisory Council to listen to our youth's feedback, enhanced the Community Advisory Group to be more representative of our community, and established a FPD Community Connections Program to

encourage officers to identify and solve problems by proactively engaging with our community and businesses.

Additionally, the Department worked with Fremont Unified School District to reimagine the School Resource Officers program.

Together they revised their uniforms, handbook, and created a designated badge for their vehicles to make our officers more approachable for students.

As a result, the National Association for School Resource Officers recognized our program as the national "Model Agency/Best Practice" and will formally honor the program next month in Colorado.

It all comes back to our Police Department's No. 1 priority – safety.

In December, the Department partnered with our Public Works and Human Services staff to distribute 100 traffic safety kits consisting of a reflective safety vest, flashlight, bicycle reflectors, and a reflective backpack to enhance safety and reduce the number of traffic crashes involving unhoused pedestrians.

Additionally, to address nationwide spikes in crime that have occurred since the start of the pandemic, our Police Department began to further develop its Real Time Information Center to mitigate crime throughout Fremont.

We began redesigning the current police resource deployment model to concentrate resources at peak times of service calls.

Being a good neighbor, the Department also partnered with Union City to implement the first phase of a new, fully integrated Computer Aided Dispatch.

Amidst all these activities, our FPD also made the time to partner with the Make-A-Wish Foundation to make one six-year-old boy's dream to become a Police Officer come true. Not only was he sworn in as an officer, he also had the opportunity to tour the Police Station,

interact with our K-9, go on a ride-along, and best of all –

eat donuts with our officers!

Moving now to another group of local heroes, our Fremont Fire Department continued to step up as front-line workers to provide much-needed assistance amid the ongoing pandemic, from distributing vaccines to staffing hospitals in response to CAL OES request for Paramedics and EMTs.

But the work didn't stop there.

Our firefighters were also deployed to provide mutual aid to wildfires burning across the State.

They've also been recruiting a diverse lateral firefighter class and have completed many trainings on emergency management, post disaster care, shelter planning operations, and more.

As mentioned in last year's address, the Department has continued adopting the new evacuation system, Zonehaven, which alerts nearby community members of potential threats such as wildfires.

While we hope this measure is precautionary, we are grateful for the time and effort the Department has devoted to ensuring our community is as prepared and as safe as possible.

But today's not all about what we have accomplished – it's also about the vision of where we are headed.

And there are quite a few programs, initiatives, and plans in the works such as our updated Climate Action Plan, the Local Hazard Mitigation Plan, and the Housing Element Update, which will focus on creating more affordable housing in Fremont.

Regarding our future infrastructure projects, our City is eager to compete for new federal funding available through the Infrastructure Law to jumpstart proposed projects, such as the Irvington BART station, the expanded Trail Network, the Sabercat Trail and Museum, and Interstate 880 Innovation Bridge.

We're continually working on our Capital Improvement Program, otherwise known as CIP, to fund infrastructure investments for transportation, parks, and City building facilities.

We look forward to collecting public input for the next CIP in early 2023.

From a business standpoint, we are assisting our major local employers such as Tesla, Meta, Lam Research, and Western Digital on upcoming expansion and construction projects, as well as helping small businesses celebrate openings and other major milestones.

I'm excited for the opportunities to bring people back to in-person connection. Our facilities such as the Palms Pavilion, the Age Well Centers, and, of course, the Downtown Event Center, are now open and available for facility rentals for your enjoyment.

Our City is actively undergoing initiatives to enhance vitality in our districts.

One project I am excited to share is the Better Block project on Ellsworth Street in Mission San Jose.

This urban design nonprofit educates, equips, and empowers communities to reshape environments to promote healthy vibrant neighborhoods and commercial districts.

We cannot thank our local businesses enough, including Seagate, and community members who have donated to our Recreation Scholarship Program to give local, low-income children a meaningful experience this summer.

Partnership with the Fremont Unified School District has remained strong with our After School Academy program that is offered at Brier, Grimmer and Cabrillo Elementary Schools.

Currently enrolled After School Academy students will receive scholarships to our Summer Camp Academy sites.

Speaking of our youth, our City is building a community that is sustainable and accessible as they grow.

To prepare for all these exciting developments, we are eagerly recruiting new staff to deliver on growing programming needs. We recognize the services we've delivered these past few years could not have occurred without our exceptional City of Fremont employees. Responsiveness to the needs of our community is key, leading us to hire additional full time and part-time employees to grow our City team, including adding new hires for our Fremont Police Department and Fire Department.

I can't thank our community enough for allowing me to serve as your mayor all these years.

I've appreciated your patience and partnership as we look forward to building a brighter

I've appreciated your patience and partnership as we look forward to building a brighter new future, while bridging and connecting our resources to our community's needs.

Thank you.